

# **NEW JERSEY: EXPORTS, JOBS, AND FOREIGN INVESTMENT**

## **Exports Mean Jobs for New Jersey's Workers**

- Over one-sixth (16.9 percent) of all manufacturing workers in New Jersey depend on exports for their jobs. This is somewhat below the national-level share of manufacturing workers supported by exports (20.5 percent). (2001 data latest available)
- Export-supported jobs account for an estimated 4.6 percent of New Jersey's total private-sector employment (about one in every 22 jobs). This is below the national average of 6.5 percent (one of every 15 jobs). (2001 data latest available)

*Note: Export-related jobs estimates include only jobs supported by exports of manufactured goods; jobs generated by exports of services are excluded. Consequently, the numbers understate the total employment impact of exports. Source: State Export-Related Employment Project, International Trade Administration & Census Bureau.*

## **Exports Help Sustain Many Thousands of New Jersey Firms—Small As Well As Large**

- A total of 16,298 companies exported goods from New Jersey locations in 2001. Of those, 14,599 (90 percent) were small and medium-sized enterprises with fewer than 500 employees.
- Small and medium-sized firms generated over one-third (36 percent) of New Jersey's total exports of merchandise in 2001. That was the 13<sup>th</sup> highest percentage among the 50 states and well above the national average of 29.2 percent.

*Source: Exporter Data Base, International Trade Administration & Census Bureau*

## **Economic Globalization: A Two-Way Street for New Jersey**

- In 2002, majority-owned affiliates of foreign companies employed 228,600 workers in New Jersey, the seventh largest total among the 50 states.
- Over one-fourth of these foreign-investment-supported jobs (28 percent, or 64,900 workers) were in the manufacturing sector in 2002.
- Majority-owned affiliates of foreign firms accounted for 17 percent of total manufacturing employment in New Jersey in 2001, the sixth highest figure among the 50 states.
- Foreign investment in New Jersey was responsible for 6.9 percent of the state's total private-industry employment in 2001, well above the national average of 5 percent.
- Major sources of New Jersey's foreign-investment-supported jobs in 2002 were the United Kingdom, Germany, Switzerland, France, and Japan.

*Note: All figures exclude employment in banks affiliated with foreign companies. Source: Bureau of Economic Analysis.*

## **New Jersey Depends on World Markets**

- New Jersey's export shipments of merchandise in 2003 totaled \$16.8 billion. That is a \$1.5 billion increase since 1999, the 16<sup>th</sup> largest dollar gain among the 50 states.

- New Jersey exported globally to 212 foreign destinations in 2003. The state's largest market in 2003 was NAFTA member Canada, which received goods exports of \$3.8 billion (22 percent) of New Jersey's total exports that year. Canada was followed by the United Kingdom (\$1.4 billion), and Germany (\$1.0 billion). Other top markets included Israel, Japan, Mexico, France, South Korea, Belgium, and China.
- Germany is New Jersey's biggest growth market, in dollar terms. Export shipments to Germany rose from \$693 million in 1999 to \$1.0 billion in 2003, an increase of \$329 million. Other countries which recorded large increases in merchandise exports from New Jersey over this period were China (up \$312 million), South Korea (up \$270 million), Turkey (up \$211 million), and the United Kingdom (up \$207 million).
- Of New Jersey's 30 major markets, exports to Turkey grew the fastest over the 1999-2003 period, increasing 502 percent from \$42 million to \$253 million. New Jersey at least doubled its exports to China (up 164 percent), Finland (up 111 percent), Ireland (up 102 percent) and Poland (up 100 percent).
- New Jersey's leading manufactured export category is chemical manufactures, which alone accounted for \$4.6 billion, or 27 percent, of New Jersey's total export shipments in 2003. Other top manufactured exports that year included computers and electronic products (\$2.6 billion), transportation equipment (\$1.4 billion), machinery manufactures (\$1.1 billion), miscellaneous manufactures (\$1.1 billion), and primary metal manufactures (\$1.0 billion).
- In dollar terms, New Jersey's leading manufactured export growth category is miscellaneous manufactures. Export shipments of these products during the 1999-2003 period grew from \$787 million to \$1.1 billion.
- Other manufactured export categories that registered large dollar growth from 1999 to 2003 were primary metal manufactures (up \$222 million), printing and related products (up \$186 million), chemical manufactures (up \$143 million) and fabricated metal products (up \$133 million).
- In percentage terms, New Jersey's fastest-growing manufactured export is beverage and tobacco products, which grew 208 percent from \$9 million in 1999 to \$28 million in 2003. Other rapidly growing manufactured exports during the 1999-2003 period were printing and related products (up 47 percent), miscellaneous manufactures (up 35 percent), and fabricated metal products (up 35 percent).

*Source: Origin of Movement State Export Series, Bureau of the Census.*

*Caution: The Origin of Movement series allocates exports to states based on transportation origin, i.e., the state from which goods began their journey to the port (or other point) of exit from the United States. The transportation origin of exports is not always the same as the location where the goods were produced. Consequently, conclusions about "export production" in a state should not be made solely on the basis of the Origin of Movement state export figures.*

Prepared by the Office of Trade and Industry Information, International Trade Administration, U.S. Department of Commerce.